

## **NEWS RELEASE**

For Immediate Release -December 18, 2013

Contact: Fred Joseph, Banking and Securities Commissioner

or Gerald Rome, Deputy Securities Commissioner at 303-894-2320

## Colorado Securities Commissioner Sanctions UBS Financial Services Inc. Regarding Unlicensed Sales Assistants

Colorado Securities Commissioner Fred Joseph announced today the terms of a settlement between the Colorado Division of Securities and UBS Financial Services Inc., stemming from the Division of Securities' claims that the brokerage firm allowed some of their sales assistants to accept unsolicited orders to buy or sell securities from Colorado residents without being properly licensed in the state of Colorado.

The settlement concludes an investigation led by state securities regulators into allegations that UBS allowed its sales assistants to accept trade orders from clients, a practice that requires licensing of the sales assistant's home state and in the client's state. The Division of Securities investigation found that this was not always the case, and that UBS's supervisory system was not reasonably designed to ensure that its sales assistants fully complied with Colorado's licensing requirements. UBS was also found to have violated the books and record rules because its order tickets did not always identify the person who accepted a client order.

As part of the settlement, UBS has been censured and ordered to cease and desist from future violations, and to pay back licensing fees and penalty to the State of Colorado in the amount of \$66,314.23.

The multi-state task force investigating this matter consisted of state securities regulators from Colorado, Texas, Missouri, New Jersey, Vermont, New Hampshire and Delaware. State securities regulators, including Colorado, are continuing their investigations into similar misconduct by other firms.

The **Colorado Division of Securities** is responsible for the administration and enforcement of the Colorado Securities Act, the Colorado Commodity Code, the Colorado Municipal Bond Supervision Act, and the Local Government Investment Pool Trust Fund Administration and Enforcement Act. The Division licenses and regulates stockbrokers and investment advisers and the securities investments they offer, sell, and advise about in Colorado. The Division also investigates cases of alleged securities fraud.

**DORA** is dedicated to preserving the integrity of the marketplace and is committed to promoting a fair and competitive business environment in Colorado. Consumer protection is our mission.